

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In Re:	§	
	§	Chapter 11
W.R. GRACE & CO., et al	§	Jointly Administered
	§	Case No. 01-1139 (JJF)
Debtors	§	

**FEE AUDITOR'S AMENDED FINAL REPORT REGARDING
FEE APPLICATION OF PROTIVITI, INC.
FOR THE TENTH INTERIM PERIOD**

This is the amended final report of Warren H. Smith & Associates, P.C. acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the Application of Protiviti, Inc. for the Tenth Interim Period (the "Application").

BACKGROUND

1. Protiviti, Inc. (Protiviti) was retained as Sarbanes Oxley compliance advisors for the Debtors. In the Application, Protiviti seeks approval of fees totaling \$167,495.00 and expenses totaling \$7,174.13 for its services from July 1, 2003, through September 30, 2003.

2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Application in its entirety, including each of the time entries included in the exhibits to the Application, for compliance with Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2001, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. 330, Issued January 30, 1996, (the "Guidelines"), as well as for consistency with precedent established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals. We served on Protiviti an initial report based on

our review, and received a response from Protiviti, portions of which response are quoted herein. After filing our final report, we discovered an error in the fee amount, which caused us to amend our report.

DISCUSSION

3. In our initial report, we noted an expense entry of \$145.90 for Matthew Petito regarding fees for a passport, as follows:

1-Aug-03	Fees for passport	\$145.90
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We also noted an expense entry for Matthew Petito of \$724.60 for vaccinations needed for travel to Singapore, as follows:

30-Sep-03	Shots vaccinations in preparation for travel to Singapore - hepatitis A, hepatitis B, polio, influenza, Japanese encephalitis, tetanus, typhoid	\$724.60
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Paragraph II.E. of the Guidelines states, “[a]ny expense for which reimbursement is sought must be actual and necessary and supported by documentation as appropriate.” We asked Protiviti to explain the necessity of these expenses as they relate to this bankruptcy estate. Protiviti responded as follows:

At the request of Grace, a Protiviti team was assembled to provide Sarbanes-Oxley support at a plant located in Singapore. Matt Petito was part of the integrated Grace Internal Audit / Protiviti team to travel to Singapore to document the risks and controls over various operational processes. He required a passport in order to travel to this plant. . . . In order to travel to Singapore, the Center for Disease Control recommended that certain vaccinations be administered.

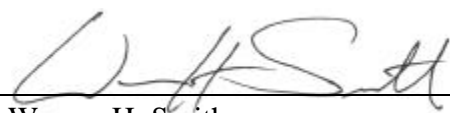
We appreciate the explanation and have no objection to these expenses.

CONCLUSION

4. Thus, we recommend approval of fees totaling \$167,495.00 and expenses totaling \$7,174.13 for Protiviti’s services from July 1, 2003, through September 30, 2003.

Respectfully submitted,

WARREN H. SMITH & ASSOCIATES, P.C.

By: 
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FEE AUDITOR

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served First Class United States mail to the attached service list on this 12th day of February, 2004.


Warren H. Smith

SERVICE LIST

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